It Takes More than a List

Safety Must be Designed In to Everyday Products

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Procter & Gamble
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Procter&Gamble



Statement of Purpose "Provide products of superior quality and value that improve the lives of the world's consumers"

The Consumer is Boss

For the Boss,
safety is a vital
"ingredient"
in product performance
and value





Product Safety — A Business Must

Company Policy

"Ensure that our products, packaging and operations are safe for our employees, consumers and the environment and comply with all applicable regulations."

- P&G Worldwide Business Conduct Manual



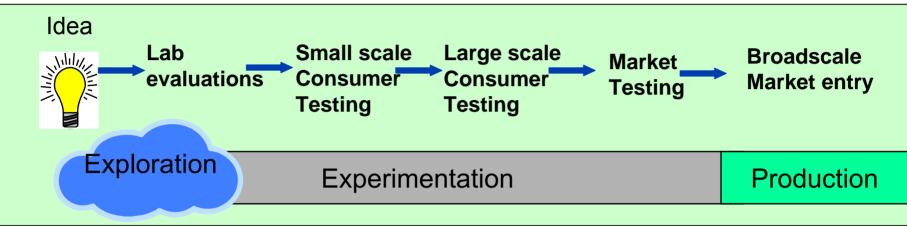
Key Elements—P&G Product Safety and Sustainability

- Company-wide policies on product safety and sustainability
- Pre-market, science-based assessment of product safety
- Innovation to improve product performance, value, environmental quality
- Rigorous control of production from raw material specifications, to formulation management, to process and quality control.
- Safe operations that protect the health and environment of employees and the surrounding community
- Compliance with all applicable product safety, labeling regulatory requirements, including transportation, waste mgt., product disposal.
- Transparency in communicating safety and sustainability information
- Constant vigilance: post market surveillance and rapid response
- Industry involvement and leadership in safety and sustainability
- Ongoing assessment and improvement of systems performance



Designing Safety In—Right from the Start

Product Development



Safety Evaluation

> 500 Human, Environmental, Regulatory Scientists
Every Ingredient, Every Package, Every Product

Risk Assessment

Principle

- A chemical is not safe or unsafe
- It's the use and exposure of a chemical that can be judged as safe or unsafe

Safety Evaluation



Nonylphenol Ethoxylate Avoidance

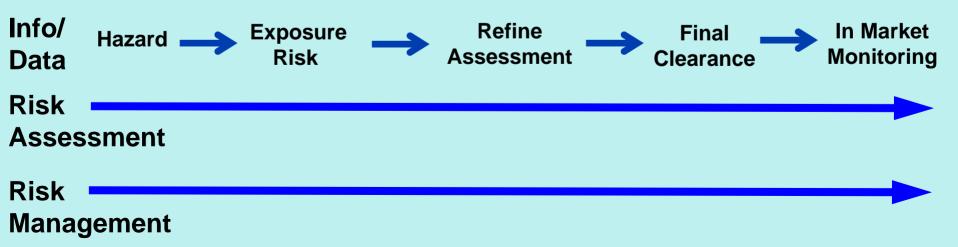
- P&G prefers fully, rapidly biodegradable surfactants
 - Especially for high volume applications
- 1970's P&G evaluated Nonylphenol Ethoxylate (NPE)
 - NPE degrades to Nonylphenol (NP)
 - Slow biodegradation, more toxic vs. other materials
 - Decision to rule out NPE use in P&G detergents



Risk Management

- reduce uncertainty (e.g. generate more data)
- reduce exposure
 - lower product concentration
 - special packaging
 - use instructions/precautionary labeling
- substitute for substance
- abandon substance company-wide
- re-evaluate and take action based on new information

Safety Evaluation



Constant Vigilance— Acting on New Learnings.

Reducing risk by eliminating or reducing uses of:

- Nitromusks
- Cyclotetrasiloxane
- Geranyl nitrile
- Phthalates
- Triclosan
-



Geranyl Nitrile Elimination

- Geranyl Nitrile deemed a potential CMR by perfume industry.
- 2006 position that material should no longer be used.
- Material in ~half of 800 perfumes used in our brands.
- P&G targeted full replacement by Nov 2007.
- This has been a massive effort due to the scope of the usage
 - ✓ Note...this is a low level component and all risk assessments indicated a wide margin of safety in our uses and in our manufacturing facilities.

The EU has not yet listed this material in the cosmetics directive



So where is the green chemistry?



Innovation is our lifeblood

- Better performing products
 - diapers providing 65% improvement in baby skin health, yet using 35% less material
- Improving environmental quality
 - more degradable surfactants
- Conserving resources
 - bio-sourced vs. petroleum-sourced materials
- Lower costs to consumers
 - dentifrices that promote dental health and are affordable in developing nations



We Invent Technologies that Improve Environmental Quality

Old Replacement Technology Technology

ABS



DTDMAC



APE



Anionic (surfactants





HSAS

Outcomes

Improved environmental profiles based on fate and effects properties led to commercialization or enlightened technology guidance (use/don't use)

In all cases, environmental risk assessment processes were key to the decision

All these technologies were P&G developed or directed by us thru suppliers



Importance of "Informed Substitution"

Informed substitution is the considered transition from a chemical of particular concern to safer chemicals or non-chemical alternatives. It allows for consideration of critical decision elements such as:

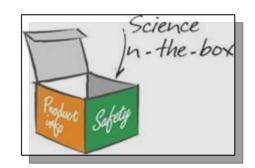
- Technological feasibility
- Does it improve health and environmental safety
- How does it impact cost, performance, economic/social considerations, and
- Does if have the potential for lasting change.





Increasing Transparency—Sharing P&G Science and Safety Information

- Science in the Box
 - Laundry and cleaning products
 - 20,000 visitors/month
 - Working to add North American brands www.scienceinthebox.com



P&Gbeauty THE SCIENCE

- Science of Beauty
 - Pilot launched 12/04
 - Pantene, Olay; 5,000 visitors/month
 - Working to add additional brands www.pgbeautyscience.com



- Editorial views on policy & emerging issues
- Target audiences: authorities, activist groups, scientists, other influencers

www.pgperspectives.com





Collaboration

Work with suppliers, competitors and retailers via trade associations

- Share best safety practices
- Develop/share risk assessments
- Work with stakeholders
- Engage in local, regional and global chemical policy discussions































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Designing Safety In

Right from the Start

Touching lives, improving life. $P \& G^{^{\mathrm{TM}}}$

